

Worthy

Let's bring humanity
back into health care





Introduction

The American healthcare system is bankrupting and failing us. It is way too expensive, increases in cost every year faster than almost anything else, doesn't cover everyone, achieves inferior quality scores compared to other developed countries, is often described as a "sick care system," and is mistrusted by most Americans.

This is unacceptable.

The United States can, and must, build a healthcare system that is accessible and affordable to all and treats every person with the same dignity, compassion and effectiveness we would want for our own loved ones in their greatest time of need. For much of my career working for a non-profit health plan, I've described this as a healthcare system that is both worthy of our family and friends and sustainably affordable for everyone. Put simply: it is **worthy of us all**.

We are a long way away from that ambition right now because the system is broken and has too many defenders. By that I mean that there are far too many times when the participants in the healthcare system – health plans, hospitals, physicians, pharmacy benefit managers, pharmaceutical companies and others – put profits over patients and are complacent about the complexity, inconveniences and inefficiencies of our current ways of doing business.

This leaves many Americans, employers and our government not only financially stressed but frustrated with the inconsistent, impersonal and imprecise service they receive. My loved ones and yours deserve much better than to be treated like cash machines by the industry.

The good news is that we can fix this — if we have the collective courage and conviction to act. **Worthy** is my effort to share, based on more than 30 years in this industry, not only what is broken in our health care system but how we can transform it through clear, practical steps. I am sharing this now because, while I am proud of the passion and commitment our non-profit organization has brought to this **Worthy** ambition for many years ([Here is a link to the work that we have done in the name of this cause](#)), I am deeply disappointed that we have not made enough progress, fast enough — and that responsibility is mine. Both I and the organization I represent must do better, starting with the recognition that we cannot do this alone. I have spent decades working within the system to drive change, but the inertia and resistance are simply too great ([here this a link to chronology of digital health records](#)).

Real transformation will require a powerful push from consumers and patients, employers, and every level of government. Together, we must give the health care industry some tough love — acknowledging the good it does while making it clear that the status quo is **unacceptable** and that better care at lower cost is required now — and then hold the industry accountable to deliver it.

The organization and I recognize that we must do better, and that achieving this will require us working together, not alone. I have been trying my best to make the needed changes happen working *within* the system for decades but there is just too much inertia and **resistance to change**. The healthcare industry needs a mighty push from consumers/patients, employers, and from all levels of our government. We all need to give the players in the healthcare industry some tough love and direction by telling them that the current situation is **unacceptable**, that we love much of what they do for us, but they need to do it much better and at a lower cost *right now*. Then force them all to do just that.

This will not be easy, but it is possible. With bold, decisive action within five years we can:

- Dramatically improve Americans' health
- Deliver care that is **worthy of us all**
- Reduce costs by \$1 trillion and keep annual premium increases to 3% or less
- Support clinicians by freeing them up and paying them to do what they do best – care for patients
- Provide affordable health care coverage and access to everyone

We can do this by:

- Making pharmaceutical drugs affordable and accessible
- Digitizing, simplifying, and automating the healthcare system
- Tying pay to efficiently improving people's health
- Truly personalizing health and health care
- Enabling everyone to have affordable health care coverage and access

Therefore, **Worthy** will be advocating for passing a series of laws and enacting regulations that will force all the players to put patients over profits, that is, to do the right thing on behalf of each patient, every time, in order to have a health care business and to earn an income. I will be doing this because the healthcare sector has demonstrated that over many years that it is unlikely to reform itself and yet it is amazing how quickly all the players can move when they have to do so. Necessity is the mother of invention.

Over time, you will have the opportunity to help with this cause in many ways: recruit others to the cause, sign a petition, contact your Congressional representative, share the **Worthy** mission on social media or explore the latest content for a deeper dive. This space will also highlight key topics that are central to healthcare reform – topics that affect every American who has ever needed care or worries that they will one day.

While many of the solutions are straightforward and even well known, I don't pretend this will be easy. Changing the American healthcare

system is a classic example of a simple, difficult problem. Figuring out what to do is simple, like eliminating our fee-for-service payment model and replacing it with a system of paying for health outcomes. But actually doing it is really hard because healthcare is complex, deeply entrenched and often frustratingly slow to change. But every big transformation starts with clarity, focus and collective action.

That's why I'm sharing my insights, my experiences and my strategies, to create a space where anyone who cares about the future of healthcare can engage, learn and take action.

My hope is that these efforts are **truly worthy of your attention**. Because in the end, the work we do together isn't just about policy, profits or procedures, it's personal. Let's build a healthcare system that is truly worthy of us all.

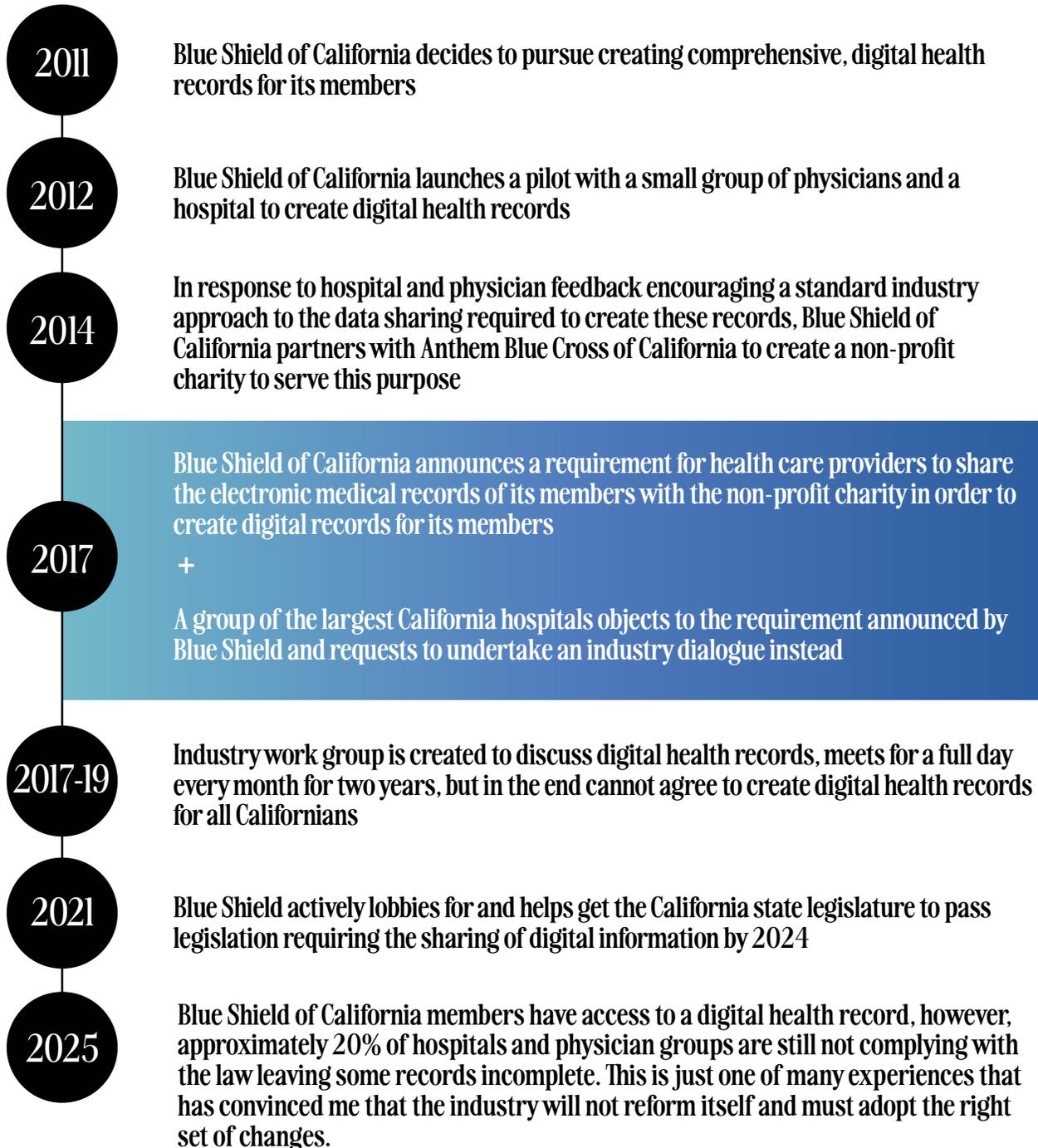


Paul Markovich, Founder, Worthy

[Why →](#)

[What you can expect from Worthy →](#)

In my capacity as the Chief Operating Officer and then the CEO of Blue Shield of California, I have been trying to get all our members access to their comprehensive, real-time, digital health record for 15 years, mostly through voluntary industry cooperation. As you can see from the timeline below, this has been a long, difficult, painstaking journey and we made the most progress the fastest when the state of California passed a law requiring the sharing of digital information to do it.





Why

One fateful day, a young couple's happy and well-tempered 6-month-old baby turned fussy and inconsolable. After a sleepless night attempting to comfort the child, the mother tried to get some rest while the father took watch. He placed the baby in the crib, but shortly afterward, he heard a loud, unhappy wail. When he rushed in, he discovered the child was white as a sheet, limp and unconscious.

The couple leapt into action, driving to the nearest hospital emergency room with their suffering infant. After the medical team's examination, a doctor came out to inform the parents that their child's small intestine had telescoped in on itself creating a blockage. An immediate emergency surgery, called an "intussusception," was needed to save the baby's life. The father asked if this was routine surgery. The doctor replied while turning away, "There is nothing routine about performing surgery on a 6-month-old."

From that moment until the doctor emerged with the news, it must have felt like an eternity to the couple. Finally, they heard the words they had been waiting for: "The surgery was successful."

Finally, they heard the words they had been waiting for: "The surgery was successful."

The child was recovering and would be just fine. The couple's feelings of relief and elation were overwhelming.

This story had a happy ending because, that day, many things went right for the couple and their baby — things that don't always go right for others. They had things on that day that millions of Americans do not have:

1. Health insurance coverage
2. Access to lifesaving care at a critical moment
3. Timely examinations by clinicians
4. Accurate, prompt diagnosis from skilled medical professionals practicing effective, evidence-based care

This is unacceptable and unconscionable.

The United States can, and must, build a healthcare system that is accessible to all and treats every person with the same dignity and compassion we would want for our own loved ones in their greatest time of need.

For much of my career working for a non-profit health plan, I've described this as a healthcare system that is worthy of our family and friends and sustainably affordable for everyone. Put simply, it is **worthy of us all**.

I am passionate about this cause for multiple reasons but one of my motivations comes in the form of a 4-inch scar across my stomach that serves as a permanent reminder that I owe my life to a healthcare system that worked for me on that fateful day.

My passion to change the healthcare system comes from more than just personal scars.

My passion to change the healthcare system comes from more than just personal scars.

When I was 22 years old and interviewing for a graduate school scholarship, the selection committee explained they would be awarding scholarships to those who would "fight the world's fight." I was completely struck by the sentiment. As I reflected on this question over the years, I came to several conclusions:

1. Because we are all mortal, we will all eventually use the healthcare system (and I was living proof of that).
2. The healthcare system is seriously flawed. It is not set up to serve people the way they deserve to be treated.
3. If I could help make the healthcare system better, even in a small way, it would help everyone. If I could help create a healthcare system **worthy of us all** and sustainably affordable for everyone, that would be transformative.

This became the world's fight for me and why I am so passionately committed to this cause. It also became the mission and vision of the non-profit organization I've served for most of my career.



What you can expect from Worthy

There is a huge gap between a “worthy” system, and the system that actually operates today. It’s also a massive and complicated system. How do we tackle it?

First, it is important to acknowledge that none of us are objective. We’re all products of our environment, in that we develop world views, beliefs, and biases based on our experiences. That is certainly true for me in that my experience working in the healthcare industry mostly from the vantage point of a health plan for more than 30 years has shaped everything that you will see in **Worthy**. I believe it is important to identify my beliefs up front.

Specifically, I believe that:

1. When defining success, we should start with a person’s health outcomes because our top priority is to help people be healthier for longer.
2. The cost of healthcare has become so high that it is now one of the biggest barriers to accessing needed care by many, i.e., we cannot improve healthcare outcomes without bringing cost trends down.
3. Our biggest, most urgent threat and risk in healthcare is the status quo.

4. The major problem with healthcare is the system and therefore we need systemic fixes.
5. The inertia of the status quo is profound. We must force the healthcare industry to move to a new system because it is unlikely to reform itself.
6. When forcing this change, we should focus on setting specific objectives and then let the industry figure out how to best achieve them.

Second, healthy debate is at the core of our democracy, incredibly valuable to finding good solutions, and the most helpful way to mitigate personal bias. This is universally true and certainly applies to the topic of transforming our healthcare system. As part of my ongoing commitment to create a healthcare system **worthy of us all**, I will participate in healthy dialogue and debate on these topics. To that end, I commit to:

1. Developing and sharing my rationale for specific recommendations that are fact-based, analytical and transparent.
2. Acknowledging arguments that have merit, including them in the dialogue, and attempting to put them into their proper context.

3. Making recommendations that will provide for a sustainable healthcare system, but not one that consumes more than its fair share of the family and national budget.

Third, I will be providing content in multiple ways, for example writing segments, providing visual guides, doing podcasts, but the entire point of this effort is to be a catalyst for changing healthcare. Therefore, you may see the formats we use, the topics we choose, and the

frequency of releasing new work shifting as we figure out what is most likely going to help achieve our **Worthy** ambitions.

Finally, healthcare is complicated and important to all of us, which means the details matter. Therefore, I am breaking down the proposed approach into digestible segments and will share a new segment each month. While the exact number and sequence of them may change over time, I expect to cover everything summarized below.

Segment	The Problem	The Proposed Solution
Transform the healthcare system	<p>Healthcare system is bankrupting and failing us.</p> <p>The problem is with the system and with its defenders.</p>	<p>Give the healthcare industry some tough love and direction by forcing it to:</p> <ul style="list-style-type: none"> • Make pharmacy drugs affordable and accessible through pricing and other reforms. • Digitize, simplify and automate everything that can be. • Tie the pay of all the participants in the system to improving health efficiently. • Truly personalize health and health care. • Enable everyone to have affordable coverage and access.
Reform prescription drug pricing	<p>All the players in the distribution system get paid more when they sell or administer a higher volume of more expensive drugs. So that is exactly what happens.</p>	<p>Pass new law(s) and regulations that:</p> <ul style="list-style-type: none"> • Eliminate kickbacks (rebates, fees, spread pricing). • Implement transparent, net pricing for drugs. • Eliminate anti-competitive behaviors and create a level playing field. • Delink compensation to those in the distribution system from drug prices.
Lower prescription drug prices	<p>We lack sufficient means to ensure drug pricing is appropriate.</p> <p>Drug discovery is a long, expensive process and fraught with failure.</p>	<p>After and only after we have adopted the pharmacy distribution reforms summarized above:</p> <ul style="list-style-type: none"> • Create an objective process to assess the potential value of costly drugs and implement a process to ensure the actual price of each drug remains consistent with that value. This should reward innovation while ensuring affordability. • Develop an industry initiative to materially reduce the cost and time for drug development and deployment, e.g., accurately and efficiently capture and record data that is critical to clinical trials in digital health records.

Segment	The Problem	The Proposed Solution
Digitize, simplify and automate health care	<p>We still use clip boards, fax machines, CD-ROMs.</p> <p>Since the 1970s, health care has increased the number of administrative jobs by > 3,000%.</p>	<p>Pass new law(s) and regulations that:</p> <ul style="list-style-type: none"> • Ensure every American has a real-time, comprehensive, secure digital health record that can be used to personalize and improve their health, their service experience, and their costs. • Standardize and simplify all the core administrative processes in health care, e.g., one set of common quality measures/quality scorecard. • Adopt industry initiatives and technology, including the responsible use of artificial intelligence, to automate everything that appropriately can be, e.g., claims settlement and revenue cycle management.
Tie payment to health outcomes	<p>We pay by the piece and so we get more pieces which creates too many situations where it is possible to put profits over patients.</p>	<ul style="list-style-type: none"> • Have the federal government take the lead in establishing pay tied to outcomes and performance for all federally funded programs (Medicare, Medicaid, Exchanges). • Facilitate the commercial market adopting the same payment structures. • When completed, should ensure all the major players have to put patient outcomes first in order to earn a profit.
Personalize patient care	<p>Our pace of discovery regarding the complex human body is way beyond the capacity of any individual to keep up so patients are sometimes getting recommendations regarding their care based on dated information.</p>	<ul style="list-style-type: none"> • Use the digital health record, all the most recent clinical information, and modern technology to inform each patient, their loved ones, and their treating clinician(s) what credible treatment options are available and the advantages and disadvantages of each to facilitate a "shared decision*" for a care plan between the patient and their clinician(s). • Shift industry resources and focus toward prevention and improving and sustaining health for each patient (which all of the players should be motivated to do because the payment models will now be tied to health outcomes as described above).
Ensure affordable coverage for all	<p>8% of Americans do not have health insurance coverage and many others are "underinsured".</p> <p>Healthcare expenses are the leading cause of personal bankruptcy in the United States.</p>	<ul style="list-style-type: none"> • Put the healthcare system on a budget. Implement a process to hold all the players in the healthcare industry accountable for making high quality health care sustainably affordable so that when coverage is expanded, we can be confident that our country can afford it. • Make it easy and, where appropriate, automatic to get healthcare coverage with individual/family contributions capped based on income to ensure affordability for everyone.

*A shared decision making model was first described by John (Jack) Wennberg

Driving Deeper to Complete the

Transformation: These five major steps should position us to transform the healthcare system and achieve the goals described above. However, these changes will have to be fully adopted for us to achieve the entire value of the transformation and the steps required for each sector of the industry may differ.

Therefore, I will also be describing how these steps need to be implemented in specific areas of health care, including:

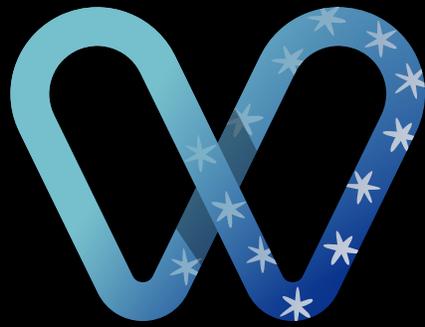
Customer Markets

- Medicare
- Medicaid
- Commercial insurance (including employer-based and Exchange-based)

Healthcare Sectors

- Behavioral health
- Health plans
- Hospitals
- Physicians
- Pharmaceutical companies

My hope is that all of this is **truly worthy of your attention.**



THISISWORTHY.COM